



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/777,093	02/13/2004	Ivo V. Ivanov	A-10041	4549

181	7590	11/23/2007
MILES & STOCKBRIDGE PC 1751 PINNACLE DRIVE SUITE 500 MCLEAN, VA 22102-3833		

EXAMINER	
TROTTER, SCOTT S	

ART UNIT	PAPER NUMBER
3694	

NOTIFICATION DATE	DELIVERY MODE
11/23/2007	ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

ipdocketing@milestockbridge.com  
sstiles@milestockbridge.com

<b>Office Action Summary</b>	Application No. 10/777,093	Applicant(s) IVANOV ET AL.	
	Examiner Scott S. Trotter	Art Unit 3694	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 13 February 2004.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-15 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-15 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)  | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date <u>9/13/2004</u> . | 6) <input type="checkbox"/> Other: _____  |

### **DETAILED ACTION**

1. This action includes consideration of the preliminary amendment filed September 13, 2004.

#### ***Information Disclosure Statement***

2. An initialed and dated copy of Applicant's IDS form 1449 filed September 13, 2004, is attached to the instant Office action.

#### ***Drawings***

3. The following informality has been noted and requires correction in response to this Office Action. The drawings include hand lettering.

#### ***Claim Rejections - 35 USC § 102***

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless --

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

5. Claim 1-15 are rejected under 35 U.S.C. 102(e) as being anticipated by Bove et al. (U.S. Patent 7,149,713 B2 hereafter Bove).

As per claim 8 Bove teaches:

A method for portfolio management using an electronic investment management system, comprising:

- a. receiving initial investment information from a user, including initial investment amount and financial goal information, into the electronic investment management system; (*See Bove column 1 lines 56-62*)
- b. receiving risk tolerance level information from the user into the electronic investment management system; (*See Bove column 1 lines 58-60 and column 1 lines 12-17*)
- c. determining a recommended asset allocation strategy for the investment portfolio based on the received investment information and risk tolerance level information; (*See Bove column 1 lines 15-17 and column 1 lines 62-column 2 line 2.*)
- d. implementing the recommended asset allocation strategy by the investment management system; (*See Bove column 1 lines 62-column 2 line 14*) and
- e. automatically rebalancing the portfolio upon a predetermined condition. (*See Bove column 1 lines 17-21.*)

As per claim 9 Bove teaches:

The method of claim 8, wherein the predetermined condition is a predetermined date. (*See Bove column 1 lines 17-21. Periodically inherently includes once a month or once a year both of which would involve predetermined dates.*)

As per claim 10 Bove teaches:

The method of claim 9, wherein the predetermined date is an anniversary date of the portfolio's creation date. (*See Bove column 1 lines 17-21. Periodically inherently includes once a month or once a year both of which would involve predetermined dates*

the anniversary date of the portfolios creation would be rebalancing a portfolio once year.)

As per claim 11 Bove teaches:

The method of claim 8, additionally comprising:

f. receiving additional investment information from the user. (See *Bove column 1 lines 17-21*. In order to modify allocation choices based on the investors needs changing it is inherent that those changed needs are communicated to the system.)

As per claim 12 Bove teaches:

The method of claim 11, additionally comprising:

g. automatically rebalancing the portfolio upon receiving the additional investment information. (See *Bove column 1 lines 17-21*.)

As per claim 13 Bove teaches:

The method of claim 11, wherein the predetermined condition is the additional investment being greater than or equal to a predetermined threshold. (See *Bove column 1 lines 17-21 and column 1 lines 29-37*. Excessive transaction costs inherently preclude making investments with small amounts of money relative to the transaction costs it would be better to not reach the desired allocation until the benefits of rebalancing out weigh the transaction costs.)

As per claim 14 Bove teaches:

The method of claim 11, wherein the additional funds are invested pro rata in accordance with the portfolio's asset allocation as of the date of the additional investment. (If an investment is to be made at the same time a portfolio is rebalanced it

will naturally be invested pro rata in accordance with the portfolio's asset allocation as of that date.)

As per claim 15 Bove teaches:

The method of claim 8, wherein executing the rebalancing step (e) makes trade orders in a tax aware manner. (*See Bove column 2 lines 15-19*)

As per claims 1-3 see the rationales of claims 8-10 as parallel system claims to the method.

As per claim 4 Bove teaches:

The system of claim 1, wherein the predetermined condition is an additional investment into the portfolio. (*See Bove column 1 lines 17-21*. Since a new investment would change the portfolio's allocation from the optimal allocation it would inherently be one of the periodic times to consider rebalancing.)

As per claim 5 Bove teaches:

The system of claim 4, wherein the additional investment is greater than or equal to a predetermined threshold. (*See Bove column 1 lines 17-21 and column 1 lines 29-37*. Excessive transaction costs inherently preclude making investments with small amounts of money relative to the transaction costs it would be better to not reach the desired allocation until the benefits of rebalancing out weigh the transaction costs.)

As per claim 6 Bove teaches:

The system of claim 4, wherein the additional funds are invested pro rata in accordance with the portfolio's asset allocation as of the date of the additional investment. (If an investment is to be made at the same time a portfolio is rebalanced it

will naturally be invested pro rata in accordance with the portfolio's asset allocation as of that date.)

As per claim 7 Bove teaches:

The system of claim 1, wherein the asset allocation strategy execution module executes trade orders in a tax aware manner. (*See Bove column 2 lines 15-19*)

### **Conclusion**

6. Examiner's Note: The Examiner has cited particular columns and line numbers in the references as applied to the claims for the convenience of the applicant.

Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

7. Any inquiry concerning this communication from the examiner should be directed to Scott S. Trotter, whose telephone number is 571-272-7366. The examiner can normally be reached on 8:30 AM – 5:00 PM, M-F.

8. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, James P. Trammell, can be reached on 571-272-6712.

9. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system, see <http://pair-direct.uspto.gov>.

Application/Control Number:  
10/777,093  
Art Unit: 3694


Page 7

Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

10. The fax phone number for the organization where this application or proceeding is assigned are as follows:

(571) 273-8300	(Official Communications; including After Final Communications labeled "BOX AF")
(571) 273-6705	(Draft Communications)

Scott Trotter  
11/14/2007

  
ELLA COLBERT  
PRIMARY EXAMINER